

BUSINESS

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CUTS POLLUTION, TOO

Trash Turns Pretty Profit

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Murray Kaye knows trash. He's been busy buying waste paper and reselling it at a profit for years. He knows what kind of paper will bring the highest price, what kind will bring lower prices, and the kind that won't bring any price.

In his own way, Murray Kaye has been helping to reduce pollution since 1956, well before the environment became the hot political issue it is today.

Raymond DuFour, a man with interests in real estate, insurance and computers, became interested in trash as a business a year ago, at about the same time the nation was beginning to awaken to the fact that each year it is being inundated by billions of cans and bottles and millions of tons of paper.

Both men head Washington-based companies that in different ways, are making a profit while contributing to trash control. They are among the large number of companies that have either sprung up since environmental concern reached its present proportions or have achieved recognition since the issue became prominent.

Began In 1956

Kaye's company Capital Reclamation Corp. has been in business since 1956 at its present location at 2115 Bryant St. N.E. It is a member of the secondary materials industry which buys used materials and resells them for repeated use.

Capital Reclamation's commodity is waste paper which it buys on a contractual basis from offices like the Government Printing Office and the House of Representatives for anywhere from \$1 to \$100 a ton and resells it to pulp, paper and gypsum mills for anywhere from \$11 to \$115 a ton.

The paper is trucked to Capital's Bryant Street plant where it is sorted, graded by color and content, then baled for shipment and direct reuse.

Environmentalists call the process recycling, a way of making repeated and continuous use of materials to solve the trash problem and relieve the drain on natural resources. To Kaye, it is a common sense process that requires a large amount of expertise.

His business really started in 1956 as a buyer of old rags, iron and paper. "It was basically a junk dealer's shop," he says. "I got the idea from seeing those trucks and wagons with a man sitting on top buying old clothes cans, etc."

Became Sophisticated

At first time went on the business became more sophisticated and now it has become important for environmental purposes... for eliminating some of the solid waste that needs to be dumped and using secondary fibers instead of virgin timber," Kaye added.

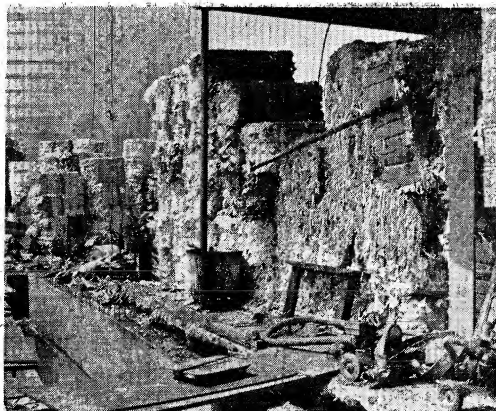
He normally employs 70 men and women to sort and grade the paper by hand (a mechanical way has not been developed). The job requires weeding out paper contaminated by glues, solvents, asphalt and other dyes and separating and grading it into a wide number of categories which fit under the three basic headings of: low grades, newspaper, mixed paper and corrugated containers; middle grades, white printed, colored printed and trim; and high grades, white unprinted.

Companies that pay Capital Reclamation to prepare paper for recycling include such giants as Weyerhaeuser Co. and Westvaco (formerly West Virginia Pulp and Paper Co). They, and other customers, use the reclaimed paper for a great many products such as paper board, roofing materials, filing, containers and printing paper. And unlike most consumer-company relationships, the mills not Capital Reclamation, set the price they are willing to pay for the reclaimed paper.

Pulp Is Costly

"They prefer to use it because of the high cost of pulp," Kaye says. "Some mills use a combination of secondary fibers and pulps, others, like board mills, use the secondary fibers exclusively."

Kaye's company, which went public last year, earned \$161,046 on sales of \$2,424,276 in fiscal 1970. For the fiscal year ended Feb. 28, 1970, the company had before tax net earnings of \$2,400 on sales of \$2.8 million. Capital Reclamation



—Star Photographer Joseph Silverman

Stacks of waste paper are sorted, graded, shredded and baled by Capital Reclamation Corp. for reuse by mills producing paperboard, gypsum and other products.

business than it can handle nowment complex and compact it and is currently expanding from about 19,000 square feet of manufacturing and storage space to 75,000 square feet.

In the future, Kaye expects the business to grow even more as people become more aware of the reclamation process. "The experts claim that 60 to 70 percent of the waste generated is paper or a paper product," he says. "At present we are reclaiming just 18 to 20 percent of all the fiber that is being manufactured. In Japan, which has almost no virgin pulp, they're reclaiming 50 percent and West Germany reclaims about 35 percent."

Raymond DuFour became interested in trash when a young inventor named Steve Hopkins came to him with a design for a unit that can receive paper, cans, bottles, and a certain amount of wet trash, compact it under hydraulic pressure and turn it out into polyethylene wrapped packages as small as .5 square feet.

DuFour bought the idea, the patent and a little over a year ago formed CompacKager Corp. headquartered at 2135 Wisconsin Ave. NW.

Four Models Offered

CompacKager, which DuFour describes as still in the embryo stage, has developed and is marketing about four different models of the trash compacting machine through the home office and 25 distributors around the country.

DuFour believes he is in on the ground floor of a business that will boom. "Prince Georges County passed an ordinance requiring trash to be packed in plastic bags. Compacting will come next," he says.

Among the units CompacKager manufacturers and markets are the \$2,000 unit that can compact the entire day's trash load of a 30-unit apartment building into a single bag and a \$7,000 model that can compact the daily trash generated by a 400-unit apartment building into several plastic bags that seal off odors and require little storage space.

"We could take 20-days worth of trash from a 100-unit apart-

into a 8 by 12 by 8 foot package," a compackager executive says.

Soon to come is a "mini-compackager", a small trash-master about the size of a portable dishwasher that will sell for about \$225 a unit and is capable of compacting trash that would fill several large garbage cans into a package measuring about 10 by 12 by 15 inches.

Big Firms Sued

DuFour recently brought suit against Sears, Roebuck & Co. and Whirlpool Corp., who also plan to begin marketing small trashmasters as home appliances, seeking to enjoin them from building the machine, claiming that CompacKager has "the rights and the patent."

In addition to apartment complexes and large office buildings, CompacKager has also designed models for institutions like the Washington Hospital Center which generates 40,000 pounds of trash a week and used to incinerate it. It is currently working on a unit for the Johns Hopkins Hospital in Baltimore which has been paying about \$40,000 a year to gather and store its trash and about \$34,000 a year to dispose of it.

In addition to the long-range economies of the CompacKager units and their pollution control advantages, DuFour lists these other benefits:

- The units can be used to reclaim materials such as paperboard which can be reused as roofing materials.
- It makes the job of collecting trash more pleasant since a trash man would never have to dirty his fingers or clothing.
- It saves space and money, especially in costly downtown locations where businesses pay for space by the square foot and often have to use a large room to store their trash.
- It can compact 2,000 aluminum cans into a 78-pound package which can then be resold.
- It eliminates smell and vermin attached to non-packaged, non-compacted trash stored outside.
- With general use, garbage collections in large cities would only have to be made twice a month instead of twice a week.



A secretary at CompacKager Corp. empties trash into one of the firm's compacting models that squeezes or compacts large amounts of trash under hydraulic pressure into plastic-sealed bundles like the one shown above.